MULTIMEDIA UNIVERSITY

STUDENT IDENTIFICATION NO

MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 1, 2015/2016

UCS2612 – CONSUMER LAW

(All Sections / Groups)

08 October 2015
Reading Time: 2:30 p.m – 2:45 p.m
(15 Minutes)
Answering Time: 2:45 p.m – 5:45 p.m
(3 Hours)

INSTRUCTIONS TO STUDENT

1. Students will have **fifteen minutes** during which they may read the paper and make rough notes ONLY in their question paper. Students then have the remaining **THREE HOURS** in which to answer the questions.

2. This Question paper consists of 3 pages, with 5 Questions only.

3. Attempt question 1 in Part A which is **compulsory** and any **THREE** out of **FOUR** questions in Part B. All questions carry equal marks and the distribution of the marks for each question is given.

4. Students are not allowed to bring in any statutes into the Examination Hall.

5. Please write all your answers in the Answer Booklet provided.

SECTION A (COMPULSORY) (40 MARKS)
QUESTION 1

Dato' Zakaria purchased a twelve years old 4WD motor vehicle from a car dealer, Disaster Motors for only RM 10,000. Even though the price of the 4WD was far below the market price, the car dealer guaranteed that it is still in excellent condition. Normally such vehicles are sold to companies and contractors, and only about 15% are sold to individuals, such as Dato' Zakaria. Dato' Zakaria bought the vehicle for cash and signed an agreement which contained, *inter alia*, the clause, 'All second hand vehicles are sold subject to our six months free parts and labour warranty. All other conditions and warranties express or implied by statute or common law are hereby excluded'.

Within a month of the purchase date, the vehicle overheated twice. Nevertheless, it was repaired by the dealer at no expense. After four months of using the vehicle, Dato' Zakaria found that it was losing power and burning large quantities of oil. He took it back to the dealer and the whole oil tank was replaced. However, the vehicle continued to use large quantity of oil and after having traveled about 3000 km, it overheated again. Dato' Zakaria then took the vehicle to a specialist mechanic and he was informed that that the vehicle requires substantial repairs to the cooling system and a replacement of the piston rings at a cost of RM7,000.

However the dealer refused to do anything further since by then the warranty period had already expired.

Advise Dato' Zakaria on his rights and the remedies available under Consumer Protection Act 1999.

(Total: 40 marks)

Continued...

SECTION B: Answer Any Three out of Four questions. (60 marks)

QUESTION 2

"Governments shall establish or maintain legal and/or administrative measures to enable consumers or, as appropriate, relevant organizations to obtain redress through formal or informal procedures that are expeditious, fair, inexpensive and accessible."

From the above statement, explain the following:

a) Mechanisms and agencies presently available for consumers in Malaysia to address their grievances.

(10 marks)

b) The scope of protection provided under the Consumer Protection Act 1999.

(10 marks)

(Total: 20 marks)

QUESTION 3

"Like its Australian counterpart, goods that are likely to cause injury or are unsafe may be prohibited, banned from importation or even recalled where they have been circulated…"

(a) From the statement above, explain the action that can be taken by the Controller of Consumers Affairs if there is a case where some goods sold in stores are unsafe to be used by consumers.

(10 marks)

(b) What are the penalties that may be imposed on the offender under s25 of the Consumer Protection Act (CPA) 1999 if the order by the Controller of Consumer Affairs in respect of the unsafe goods is deliberately ignored?

(10 marks)

(Total: 20 marks)

Continued....

QUESTION 4

Explain the types of Defects under Product Liability and discuss the defences that are available to the seller as set out in Section 72(1) against the said liability.

(Total: 20 marks)

QUESTION 5

"The establishment of the Tribunal for Consumer Claims under the Consumer Protection

Act 1999 may be considered as the great move for the improvement of the redress mechanism for consumers in Malaysia."

Do you agree with the above statement? Explain the awards that can be granted by the Tribunal for Consumer Claims?

(Total: 20 marks)

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